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Congress of the United States
House of Representatives
COMMITTEE ON WAYS AND MEANS

WASHINGTON, DC 20515

SUBCOMMITTEE ON OVERSIGHT

May 11, 2012

The Honorable Timothy Geithner
Secretary
United States Department of the Treasury
1500 Pennsylvania Avenue, N.W.
Washington, D.C. 20220

Dear Secretary Geithner:

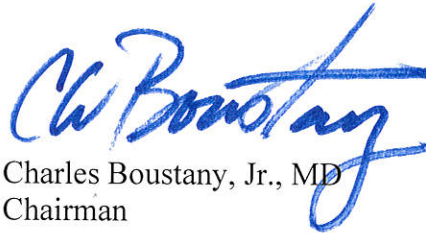
On September 27, 2011, I wrote to you expressing concern about Internal Revenue Service ("IRS") Notice of Propose Rulemaking REG-146097-09, which was published as a final regulation on April 19 of this year ("regulation"). The September 27 letter sought information regarding the regulation and how the Treasury Department ("Department") has made certain decisions regarding its implementation. While the December 2, 2011, response was helpful it did not provide all of the information requested and I write today to ask for a full response.

As you know, the regulation requires U.S. banks to collect and report information on interest paid to nonresident aliens, information which Acting Assistant Secretary McMahon's response stated was already available on an as-requested basis. Though the Internal Revenue Code imposes no taxes or reporting requirements on this interest, the Department will require this information so that it might be shared with foreign governments more easily. Rather than continuing to request specific deposit interest information when it is needed, the Department is now burdening banks with new reporting requirements regardless of whether the information is requested by a foreign government.

In my September 27 letter, I asked that the Treasury Department "provide all correspondence and other documents relating to the formation of [the opinion that] neither Executive Order 12866 nor Section 553(b) of the Administrative Procedures Act (APA) applies to" the proposed regulation. The December 2 response stated that the proposed regulation was not a "significant regulatory action" and that Section 553(b) did not apply, but provided no correspondence or documents relating to that opinion. The regulations state simply that "it has been determined that these regulations are not a significant regulatory action... [and] therefore, a regulatory assessment is not required. It also has been determined that section 553(b) of the [APA] does not apply to these regulations."

Please respond in full to my earlier letter by June 1, 2012. This response should include but not be limited to all correspondence and other documents relating to the formation of the opinion that the proposed regulation is not a "significant regulatory action."

If you have any questions, please contact [REDACTED] at (202) 225-5522.

A handwritten signature in blue ink, reading "Charles Boustany, Jr.", with a stylized flourish at the end.

Charles Boustany, Jr., MD
Chairman